

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 049237

72

ORIGIN EB-11

INFO OCT-01 ARA-11 ADP-00 INRE-00 L-03 AID-20 AGR-20

CIAE-00 COME-00 INR-09 LAB-06 NSAE-00 RSC-01 STR-08

TRSE-00 CIEP-02 SAL-01 OMB-01 /094 R

DRAFTED BY EB/ FTD: ADSSENS; ARA/ CAR: DCAZAR

3/16/73 EXT. 22690

APPROVED BY EB: WCARMSTRONG

ARA/ LA: DSZABO

AGRIC: JSTEVENSON

DESIRED DISTRIBUTION

ARA/ LA, AGRIC.

----- 077211

P 162222 Z MAR 73

FM SECSTATE WASHDC

TO AMEMBASSY MANAGUA PRIORITY

LIMITED OFFICIAL USE STATE 049237

EO: 11652: N/ A

TAGS: EAGR: NU

SUBJ: RELIEF FROM EMERGENCY TAX FOR U. S. COTTON BROKERS

REF: (A) STATE' S 34118, (B) STATE' S 33281, (C) STATE' S
27232, (D) MANAGUA' S 1371

1. DEPARTMENT APPRECIATES EMBASSY' S VIEWS (REFTEL D) BUT
NOTWITHSTANDING CALMING ATTITUDE OF LOCAL REPRESENTATIVES
OF BROKERS INVOLVED, U. S. FIRMS REMAIN VERY CONCERNED
ABOUT POSSIBLE LOSSES FACED DUE TO EMERGENCY TAX
PROVISION, PARTICULARLY SINCE THEIR MANAGUA AGENTS CLAIM
GON EXPECTED ACT SHORTLY TO IMPLEMENT DECREE.
DEPARTMENT SHARES THEIR CONCERN.

2. WE AGREE THAT TO THE EXTENT REAL REPEAT REAL
POSSIBILITY OF LEGAL REDRESS EXISTS FOR SOME BROKERS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 049237

THROUGH COURT ACTION TO ENFORCE CONTRACT PROVISION TO
PASS TAX BACK TO GROWERS, THAT WOULD BE APPROPRIATE FIRST
STEP.

3. WITH RESPECT TO BROKERS (REFTEL A AND B) WHO NOT IN
POSITION TO AVAIL THEMSELVES OF THIS REMEDY, HOWEVER,

TAX AS PRESENTLY CALCULATED (I. E., AS PERCENT OF GROSS
VALUE OF PRODUCT) IS OBVIOUSLY INEQUITABLE AND UNDOUBTEDLY
RESULT OF OVERSIGHT DUE TO EMERGENCY CIRCUMSTANCES UNDER
WHICH LAW WAS DRAFTED. WITH RESPECT TO THIS GROUP,
DEPARTMENT FEELS THEIR POSITION IS JUSTIFIED AND
APPLICATION OF TAX LAW AS DRAFTED WOULD BE ARBITRARY AND
UNJUST.

4. AMBASSADOR IS REQUESTED TO DISCUSS CONTENTS OF THIS
MESSAGE WITH APPROPRIATE GON OFFICIALS, TO SEEK RELIEF
FOR BROKERS NOTED IN PARA 3, AND TO MAKE CLEAR TO GON
GREAT IMPORTANCE WE ATTACH TO FAIR TRIAL FOR THOSE BROKERS'
WITH CONTRACT CLAIMS. ROGERS

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 16 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: martinjw
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE049237
Document Source: CORE
Document Unique ID: 00
Drafter: ADSENS; ARA/ CAR: DCAZAR
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: SECSTATE WASHDC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730332/aaaahyzu.tel
Line Count: 90
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE' S 34118, 73 STATE' S 33281, STATE' S, 27232, 73 MANAGUA' S 1371
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 23 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23-Jan-2002 by shawdg>; APPROVED <22 FEB 2002 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 971212
Subject: RELIEF FROM EMERGENCY TAX FOR U. S. COTTON BROKERS
TAGS: EAGR, NU
To: MANAGUA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005